(a) the problems faced by the Visakhapatnam Steel Plant which has been declared officially sick; and

(b) the remedial steps taken and efforts made to rescue the VSP by clearing the turnaround plan quickly?

THE MINISTER OF STATE IN THE MINISTRY OF STEEL (SHRI DILIP RAY): (a) Visakhapatnam Steel Plant has not been officially declared as sick unit under Sick Industrial Companies (Special Provision) Act, 1985 (SICA) and hence problems associated with respect to sick units do not arise at present.

(b) Rashtriya Ispat Nigam Ltd. (RINL), Visakhapatnam Steel Plant (VSP) had submitted a comprehensive turnaround proposal for its revival which inter-alia included waiver of losses. The Disinvestment Commission has recommended writing off of the entire accumulated losses of the company as on 31.3.1999 alongwith disinvestment of not less than 51 % of its remaining equity in RINL to a strategic buyer. No final decision has yet been taken on these recommendations..

Proposal to Expand the Vizag Steel Plant

1159 SHRI RAMACHANDRAIAH RUMANDLA: Will the Minister of STEEL be pleased to state:

(a) whether Government propose to expand the Vizag Steel Plant to make it viable;

(b) if so, the details thereof; and

(c) the action taken to bring down the interest burden on Government loan of the company?

THE MINISTER OF STATE IN THE MINISTRY OF STEEL (SHRI DILIP RAY): (a) No, sir.

(b) Does not arise.

(c) Rashtriya Ispat Nigam Ltd. (RINL), Visakhapatnam Steel Plant (VSP) had submitted a comprehensive turnaround proposal for its revival which inter-alia included waiver of losses. The Disinvestment Commission has recommended writing off of the entire accumulated losses of the company as on 31.3.1999, alongwith disinvestment of not less than 51% of its remaining equity in RINL to a strategic buyer. No final decision has yet been taken on these recommendations.